

House File 192 - Introduced

HOUSE FILE _____
BY HUSER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to notice and collection of delinquent charges by
2 certain city utilities or city enterprises.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1053HH 82
5 sc/gg/14

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1 1 Section 1. Section 384.84, subsection 2, paragraphs c and
1 2 d, Code 2007, are amended to read as follows:
1 3 c. A city utility or enterprise service to a property or
1 4 premises shall not be discontinued unless prior written notice
1 5 is sent, by ordinary mail, to the account holder ~~by ordinary~~
~~1 6 mail in whose name the delinquent rates or charges were~~
1 7 incurred, informing the account holder of the nature of the
1 8 delinquency and affording the account holder the opportunity
1 9 for a hearing prior to discontinuance of service. If the
1 10 account holder is a tenant, and if the owner or landlord of
1 11 the property has made a written request for notice, the notice
1 12 shall also be given to the owner or landlord.

1 13 d. (1) If a delinquent amount is owed by an account
1 14 holder for a utility service associated with a prior property
1 15 or premises, a city utility, city enterprise, or combined city
1 16 enterprise may withhold service from the same account holder
1 17 at any new property or premises until such time as the account
1 18 holder pays the delinquent amount owing on the account
1 19 associated with the prior property or premises. A city
~~1 20 utility, city enterprise, or combined city enterprise shall~~
~~1 21 not withhold service from, or discontinue service to, a~~
~~1 22 subsequent owner of the prior property or premises unless such~~
~~1 23 delinquent amount has been certified in a timely manner to the~~
~~1 24 county treasurer as provided in subsection 3, paragraph "a",~~
~~1 25 subparagraph (1).~~

1 26 (2) Delinquent amounts that have not been certified in a
~~1 27 timely manner to the county treasurer as provided in~~
~~1 28 subsection 3, paragraph "a", subparagraph (2), are not~~
~~1 29 collectible against any subsequent owner of the property or~~
~~1 30 premises.~~

1 31 Sec. 2. Section 384.84, subsection 3, paragraphs a, b, and
1 32 c, Code 2007, are amended to read as follows:

1 33 a. (1) Except as provided in paragraph "d", all rates or
1 34 charges for the services of sewer systems, storm water
1 35 drainage systems, sewage treatment, solid waste collection,
2 1 water, solid waste disposal, or any of these services, if not
2 2 paid as provided by ordinance of the council or resolution of
2 3 the trustees, are a lien upon the property or premises served
2 4 by any of these services upon certification to the county
2 5 treasurer that the rates or charges are due.

2 6 (2) If the delinquent rates or charges were incurred prior
~~2 7 to a transfer of the property or premises and such~~
~~2 8 delinquencies were not certified to the county treasurer prior~~
~~2 9 to the date of transfer, the delinquent rates or charges are~~
~~2 10 not eligible to be certified to the county treasurer. If~~
~~2 11 certification of such delinquent rates or charges is attempted~~
~~2 12 subsequent to a transfer of the property or premises, the~~
~~2 13 county treasurer shall return the certification to the city~~
~~2 14 utility, city enterprise, or combined city enterprise~~
~~2 15 attempting certification along with a notice stating that the~~
~~2 16 delinquent rates or charges cannot be made a lien against the~~
~~2 17 property or premises.~~

2 18 b. ~~This~~ The lien under paragraph "a" may be imposed upon a
2 19 property or premises even if a city utility or enterprise
2 20 service to the property or premises has been or may be

2 21 discontinued as provided in this section.
2 22 c. A lien for a city utility or enterprise service under
2 23 paragraph "a" shall not be certified to the county treasurer
2 24 for collection unless prior written notice of intent to
2 25 certify a lien is given to the account holder of in whose name
2 26 the delinquent ~~account~~ rates or charges were incurred at least
2 27 thirty days prior to certification. If the account holder is
2 28 a tenant, and if the owner or landlord of the property has
2 29 made a written request for notice, the notice shall also be
2 30 given to the owner or landlord. The notice shall be sent to
2 31 the appropriate persons by ordinary mail not less than thirty
2 32 days prior to certification of the lien to the county
2 33 treasurer.

2 34 EXPLANATION

2 35 Under current law, delinquent rates or charges for the
3 1 services of water, sewer systems, storm water drainage
3 2 systems, sewage treatment, or solid waste collection and
3 3 disposal provided by a city utility, city enterprise, or
3 4 combined city enterprise (utility) become a lien against the
3 5 property receiving the services upon certification of the
3 6 delinquent amount to the county treasurer. The delinquent
3 7 amount then becomes collectible as a special assessment.
3 8 Special assessments are collected in the same manner as
3 9 property taxes. Current law also provides that service may be
3 10 discontinued at the property if rates or charges for these
3 11 services become delinquent. Notice of discontinuance of
3 12 service or notice of intent to certify a delinquency to the
3 13 county treasurer for collection must be provided to the
3 14 account holder.

3 15 This bill specifies that notice of discontinuance or notice
3 16 of intent to certify a delinquency to the county treasurer
3 17 must be provided to the account holder in whose name the
3 18 delinquent amount rates or charges were incurred.

3 19 The bill also provides that if delinquent rates or charges
3 20 were incurred prior to a transfer of the property where the
3 21 service was provided and such delinquency was not certified to
3 22 the county treasurer prior to the date of transfer, the
3 23 delinquency is not eligible for certification to the county
3 24 treasurer, and if certification of such a delinquency is
3 25 attempted, the county treasurer is directed to return the
3 26 certification to the utility along with a notice stating that
3 27 the delinquent rates or charges cannot be made a lien against
3 28 the property.

3 29 The bill further provides that service to a new account
3 30 holder may not be withheld or discontinued based on delinquent
3 31 charges incurred by a prior account holder at the same
3 32 premises unless the utility has certified the delinquent
3 33 amount to the county treasurer in a timely manner, i.e., prior
3 34 to transfer of the property.

3 35 The bill further provides that such delinquent amount is
4 1 not collectible from the new account holder unless the
4 2 delinquent amount has been certified to the county treasurer
4 3 in a timely manner, i.e., prior to transfer of the property.

4 4 LSB 1053HH 82

4 5 sc:rj/gg/14